



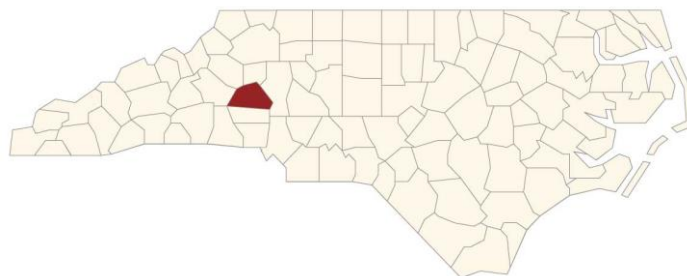
On February 17, 2009, the American Recovery and Reinvestment Act (ARRA) was passed by Congress and signed into law by President Obama. ARRA provides increased support to several existing federal programs administered by states, creates new programs such as the State Fiscal Stabilization Fund, and offers opportunities for states to apply for competitive grant programs.

The American Recovery and Reinvestment Act's significant investment in North Carolina totaled almost \$19.5 billion, including assistance for those needing help the most through increases in unemployment benefits, Medicaid payments, and food stamps. In addition to those expanded services, ARRA gives hundreds of thousands of working North Carolinians a break through tax credits like the *Making Work Pay* tax credit and the *First Time Homebuyer's* tax credit.

The Recovery Act is not like earlier attempts to revive the nation's economy. It is not only a one-time infusion of federal funds; instead it is a long-term effort to restore economic expansion in the short-term, as well as prepare the nation's economy for stable, healthy long-term growth. Under the terms of the Recovery Act, support for North Carolina's economy will include both investments made directly by the federal government and investments of federal funds that are made under the oversight of the North Carolina state government.

American Recovery and Reinvestment Act Report, Catawba County

Catawba County received more than \$240 million in ARRA funding in grants, loans, and bonds. The following report outlines the various funding categories that contributed to the Catawba County total.



Pell Grant Awards:
3,160



Small Business Jobs:
197

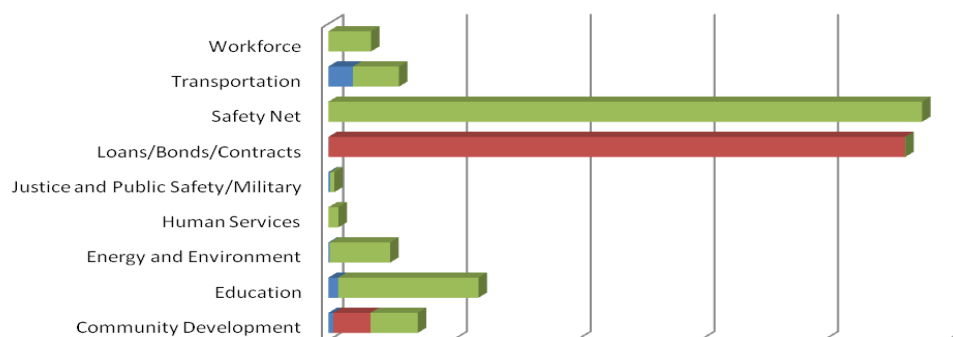


Appliances rebated:
487



Family homes financed:
160

Catawba County Totals



Sum of Prime Awards Sum of Sub-Awards Sum of Loans/Bonds

Catawba County,
pop 154,358 at a glance:

Recovery Act Totals:
Grants: \$ 143,324,192.86
Loans: \$ 34,196,234
Bonds: \$ 64,999,999

Total: \$242,520,425.86



Education

The Recovery Act placed a special emphasis on maintaining education funding. Governor Beverly Perdue furthered this commitment by pledging additional recovery funds from the Recovery Act to education, and leading North Carolina to additional funds by winning \$400 million in the Race to the Top program.

Most of the ARRA education funds are distributed to local schools through existing funding formulas. Special Education Funds and Title I funds go to schools based on eligible student enrollment. State Fiscal Stabilization Funds (SFSF) and the EduJobs grants were designed to hold schools harmless during the recession, and were distributed to public and charter schools. The school systems have spent the majority of the funds on staff and support. Some projects, such as Race to the Top, will be spent for purchasing products and services rather than salaries for staff.

Authorization for low/no interest bonds for school construction/renovation followed the Department of Public Instruction procedures with initial allotments to the school systems. If a school system could not utilize their allotment, it was released to other school systems that could utilize additional allotments.

Catawba County schools received \$57 million in education funding, including \$5 million in Special Education funds, \$2 million in Title I funds, \$14 million in SFSF funds, \$1.5 million in Race to the Top funding and a \$28 million bond allocation.

Pell Grants are an educational Assistance Program that provides grants to eligible students to receive post-secondary or vocational training. Because Pell Grants are not student loans, they allow students to receive financial assistance to further education and training without incurring additional debt. The American Recovery and Reinvestment Act increased the eligibility and the maximum amount of Pell Grants in 2009 and 2010 as a way to encourage educational opportunities, and to provide a way for eligible applicants to gain new job skills.

In Catawba County, Catawba Valley Community College and Lenoir-Rhyne College had 3,160 students funded by Pell Grants; these grants were worth almost \$4 million.



Family Assistance

The Federal Department of Agriculture increased funding to their Single-Family home program with the ARRA. These resources assisted families in achieving the American Dream of home ownership through direct financial assistance (grants) or credit (loan guarantees). This program pumped more than \$729 million into North Carolina, providing assistance to more than 5,400 families.

In Catawba County, 160 families received assistance through this program totaling almost \$18 million.

The Department of Energy created the Energy Star Appliance rebate program to help stimulate the economy by incentivizing the purchase of new, more energy efficient appliances, and helping consumers by providing long-term savings from their utility bills. The State Energy Office in the North Carolina Department of Commerce managed the program insuring North Carolina residents and retailers received the maximum benefit from this opportunity. North Carolina retailers sold more than 25,500 new energy efficiency appliances through this program, and North Carolina residents will enjoy energy savings for years to come. The program was so successful, that the State Energy Office reprogrammed additional funding to provide discounts to everyone participating in the program, bringing the total program value from \$8 up to \$10 Million.

Catawba County retailers sold 487 appliances through the Energy Star Appliance rebate program.



Small Businesses Assistance

The ARRA provided tax breaks, increased depreciation of business assets, and incentives for hiring for small businesses through the tax law changes found in Part B of the Act. The Recovery Act also established direct aid programs through the federal Small Business Administration (SBA) and US Department of Agriculture (USDA). These programs provided grants, loans and loan guarantees to grant small businesses access to much-needed operational credit during 2009 and 2010.

In Catawba County 21 small businesses received SBA loan guarantees worth \$10 million. According to the small businesses receiving these loans, the Recovery Act saved or created 197 jobs.



CARS Program

The Car Allowance Rebate Program (CARS), more widely known as the 'Cash-for-Clunkers' program, provided an incentive for drivers of older, energy inefficient vehicles to upgrade to new cars. This program also provided a large economic impact in North Carolina, and North Carolina dealers received more than 18,000 trade-in vehicles through this program. North Carolina Car Dealers sold more than \$400,000,000 worth of new cars (recommended MSRP) through the CARS program. North Carolina drivers will save 172,130 miles per gallon through cars purchased through this program.

In Catawba County, car dealers sold 536 cars worth \$10 million through the ARRA CARS program.



Justice and Public Safety Programs

ARRA increased funding to the federal Byrne Justice Assistance Grants Program (JAG). JAG funds were awarded both as a formula allocation to the State, for \$34.5 million, and grants distributed by the Governor's Crime Commission to various local governments and entities. In addition, \$21,853,798 went to 216 local governments across the state for various purposes in line with the requirements of the act. Finally, there is a federal competitive portion that was open to state or local government applicants.

In Catawba County, The City of Hickory and the Town of Newton received JAG program grants worth more than \$400,000 for public safety purposes. In addition, the Catawba County Government received a Violence Against Women grant worth \$100,000.



Environment and Natural Resources Programs

ARRA funded several programs to protect the environment, or to develop natural resources more efficiently. These programs ranged from environmental clean-up, such as leaking underground storage tank abatement and Brownfields programs, to EPA clean air grants, wildfire prevention grants, and revolving funds to build, expand, or overhaul existing water and sewer programs. These programs provided nearly \$150 million across North Carolina.

In Catawba County, the Catawba County Government, the Town of Conover, and the City of Hickory received water and sewer grants worth more than \$6.3 million.



Green Energy Programs

One of the goals of ARRA was to provide grants to help conserve energy and assist in the development of a green economy. The State Energy Office in the North Carolina Department of Commerce received large grants for energy conservation under the American Recovery and Reinvestment Act. These grants include the Energy Efficiency Conservation Block Grant (EECBG), funded at just under \$20 million, and the State Energy Plan (SEP), funded at \$70 million. The State Energy Office then used these grants to make awards to businesses, non-profits, and local governments for various purposes.

In Catawba County, the Town of Newton received \$60,000 in SEP and EECBG funding to improve lighting in 10 publicly owned buildings, and install energy efficient lamps in City Hall. The SALT Block Foundation received an SEP grant of \$150,000 to replace and cap its boiler heating system with energy efficient heat pumps. Armacell in Conover received

an SEP grant of \$165,000 to replace the 400-W HID lights in its 250,000-sf production facility with T5HO fluorescent lighting. General Dynamics Satcom Technologies in Newton received an SEP grant of \$242,675 to update and retrofit facilities with energy efficient fixtures and lighting. Sunqes in Newton received a Green Business Fund grant of \$74,300 to add a solar thermal hot water heating system to offset conventional energy usage, and to help with education and associated certification for Building Analysis and Envelope Certification and for Solar Thermal Installation Certification.



Safety Net Programs

Safety net programs are the category of ARRA funding that consists of programs designed to help populations made particularly vulnerable by the economic crisis. These generally include increases in existing programs, most notably the increase in both benefit level and duration of unemployment payments. Increases in the amount and duration of unemployment payments makes up the largest chunk of safety net programs funded through the Recovery Act, totaling more than \$3.5 billion statewide over more than two years. Safety net programs such as unemployment insurance and SNAP (formerly known as Food Stamps), not only benefit the recipient, but have a proven economic impact on a community.

Catawba County residents received \$78.5 Million in Unemployment Insurance increases during the 2 ½ year ARRA benefits increase. County residents also received \$10 Million in SNAP benefit increases, and \$7.5 million in one-time payments of \$250 to social security recipients.

Catawba County received more than \$80,000 for Head Start Programs.

Catawba County Feature Story

Catawba County Builds for the Future of Education Using Recovery Opportunities

The American Recovery and Reinvestment Act placed a special emphasis on infrastructure projects as a way to immediately impact jobs in the engineering and construction sectors, and as a way to make important, lasting impact in communities. The Recovery Act established several new bond programs with zero or very low interest to allow state, local, and private entities to design construction and renovation projects at the ground level where these projects would have the most impact on a local economy. These bond programs gave the green light to many long-awaited projects across the state, including the development of new libraries, hospital facilities, recreational facilities, the construction of new schools, highways, water systems, and improvements to a host of critical infrastructure. North Carolina entities used more than \$3 billion in Recovery Act bond capacity.

The Recovery Act provided \$24.8 billion in bond authority to states and local governments for school infrastructure through two primary programs: a new Qualified School Construction Bonds (QSCBs) program and the expansion of the Qualified Zone Academy Bonds (QZABs) program. These are zero-interest, tax credit bond programs to provide a significant cost savings to school districts for construction and improvements. The Qualified School Construction Bond program provides Local Education Authorities with a method of funding construction/repair/renovation of public school facilities or for land acquisition for a public school facility.

Catawba County Schools used the historic opportunity of the American Recovery and Reinvestment Act to issue almost \$30 million in Recovery Education Bonds. This zero-interest bond capacity gave the green light to several projects around the county. One of the projects the QSCB bonds helped finance the construction of the new state-of-the-art \$20 million middle school in Conover.

The new Newton Conover Middle School is currently being constructed at 873 Northern Drive, NW. Construction activity can be seen when traveling north on County Home Road. The capacity of the school will be over 850 students. The new school will feature football, soccer, baseball and softball fields, and tennis courts. The school will open for the beginning of the 2012 school year.



Three public schools in Hickory also used the ARRA bonds to expand and renovate facilities. Murray Elementary School will renovate 12 existing classrooms into 17 new classrooms and a computer lab, expand the media center, and create a new administrative area. Current kindergarten and first grade classrooms will be expanded, and several additional improvements to Section House Road and the school's driveway will enhance student safety. St. Stephens High School will use the bond allocation to improve the kitchen and cafeteria facilities, and upgrade the HVAC system.

Arndt Middle School went through a major renovation that included 12 new classrooms, including three new science labs, new corridors, a new music and band classroom, administrative suite, new parking, and a new access road. The school also renovated the cafeteria, gym, media center, and repaved and expanded the parking area.

Catawba County Schools Assistant Superintendent of Operations Steve Demiter, estimated the Arndt Middle School project employed about 200 people, not including the workers who helped manufacture other products, like concrete and steel, to complete the projects. Superintendent Glenn Barger said of the bonds "It was a great move for Catawba County. And it was a great move for Catawba County students."

Appendix, Catawba County breakout

Federal Agency	Program Title	Recipient name	Recipient role ⁱ	Prime Amount ⁱⁱ	Unique Sub Awards ⁱⁱⁱ	Loans	Additional Economic Activity (not counted toward totals) ^{iv}
Administration for Children and Families	Bonds		P			\$29,308,553.00	
		Catawba County	P			\$35,691,446.00	
	Cash for Clunkers		S		\$2,273,500.00		
	Federal Pell Grant Program	Catawba Valley Community College	P				
		Lenoir-Rhyne College	P				
	Very Low to Moderate Income Housing Loans - Guaranteed	Individuals	L			\$18,053,134.00	
	ARRA - Child Care and Development Block Grant	Catawba, County of	S	\$0.00	\$1,421,571.65	\$0.00	
	ARRA - Early Head Start	Catawba County Board Of Education	P	\$1,515,553.00		\$0.00	\$1,515,553.00
		Western Piedmont Council Of Governments	PV	\$0.00		\$0.00	\$29,900.00
	ARRA - Head Start	Eastern Catawba Coop Headstart	P	\$83,157.00	\$83,157.00	\$0.00	
Administration on Aging	Aging Congregate Nutrition Services for States	Western Piedmont Council Of Governments	S	\$0.00	\$74,311.00	\$0.00	
	Aging Home-Delivered Nutrition Services for States	Western Piedmont Council Of Governments	S	\$0.00	\$35,555.00	\$0.00	

	ARRA - Communities Putting Prevention to Work: Chronic Disease Self-Management Program	Western Piedmont Council Of Governments	S	\$0.00	\$26,623.00	\$0.00	
Centers for Disease Control and Prevention	ARRA - Immunization	Catawba, County of	S	\$0.00	\$61,296.00	\$0.00	
Department of Agriculture	Supplemental Nutrition Assistance Program	Multiple Individuals	S		\$9,908,530.32		
Department of Education	No CFDA for Contract type awards	Lenoir-Rhyne College	P	\$27,070.00		\$0.00	\$27,070.00
Department of Energy	Energy Efficiency and Conservation Block Grant Program (EECBG)	Bryant Supply Company	PV	\$0.00		\$0.00	\$168,051.06
		Catawba County Government Center	PV	\$0.00		\$0.00	\$822.00
		Consolidated Electrical Distribution	PV	\$0.00		\$0.00	\$887.28
		County Electric Supply Co.	PV	\$0.00		\$0.00	\$204.53
		Hickory, City Of	P	\$209,300.00		\$0.00	\$209,300.00
		Ibs Environmental Services	PV	\$0.00		\$0.00	\$18,049.84
		Lowe's	PV	\$0.00		\$0.00	\$374.06
		Newton, City Of	S	\$0.00	\$53,303.00	\$0.00	
		Northwest Drywall	PV	\$0.00		\$0.00	\$68.00
		Rexel	PV	\$0.00		\$0.00	\$19,819.96

		Sunbelt Rental Co.	PV	\$0.00		\$0.00	\$963.30
		The Home Depot Co.	PV	\$0.00		\$0.00	\$36.50
Department of Health and Human Services	Aging Congregate Nutrition Services for States	Catawba County DSS	SV	\$0.00	\$0.00	\$0.00	
	Aging Home-Delivered Nutrition Services for States	Catawba County DSS	SV	\$0.00	\$0.00	\$0.00	
Department of Housing and Urban Development	Community Development Block Grants - Entitlement	Hickory, City Of	P	\$85,649.00		\$0.00	\$85,649.00
	Public Housing Capital Fund Formula (Recovery Act Funded)	Hickory Public Housing Authority	P	\$729,539.00		\$0.00	\$729,539.00
		Little Mountain	PV	\$0.00		\$0.00	\$656,539.00
		Stogner Architecture, Pa	PV	\$0.00		\$0.00	\$72,236.48
Department of Justice	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants To Units Of Local Government	Hickory, City Of	P	\$266,031.00		\$0.00	\$266,031.00
		Newton, City Of	P	\$24,065.00	\$0.00	\$0.00	
	Recovery Act - Eward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	Hickory, City Of	S	\$0.00	\$135,629.31	\$0.00	

				\$0.00	\$165,015.47	\$0.00	
	Violence Against Women Formula Grants	Catawba, County of	S	\$0.00	\$106,885.76	\$0.00	
Department of Labor	Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors	Western Piedmont Council Of Governments	S	\$0.00	\$1,720,039.00	\$0.00	
	Unemployment Insurance	Multiple Individuals	S		\$78,428,323.55		
Employment and Training Administration	No CFDA for Contract type awards	Price, Lori	P	\$1,800.00	\$0.00	\$0.00	
Environmental Protection Agency	Capitalization Grants for Clean Water State Revolving Funds	Conover, City Of	S	\$0.00	\$1,727,025.00	\$0.00	
		Hickory, City Of	S	\$0.00	\$1,602,291.00	\$0.00	
	Capitalization Grants for Drinking Water State Revolving Funds	Catawba, County of	S	\$0.00	\$3,000,000.00	\$0.00	
	Water Quality Management Planning	Western Piedmont Council Of Governments	S	\$0.00	\$28,698.00	\$0.00	
Federal Highway Administration	Highway Planning and Construction	Country Boy Landscaping, Inc.	PV	\$0.00		\$0.00	\$47,187.64
		Dave's Construction Service, Inc.	PV	\$0.00		\$0.00	\$1,112,481.21
		North Carolina Department Of Transportation	P	\$55,000.00		\$0.00	\$55,000.00
				\$1,408,843.00		\$0.00	\$1,408,843.00
Federal Transit	Federal Transit_Formula		PV	\$0.00		\$0.00	\$899,079.00

Administration	Grants					
		Bear & Co Signs & Lighting Inc	PV	\$0.00	\$0.00	\$27,712.00
		National Bus Sales & Leasing Inc.	PV	\$0.00	\$0.00	\$384,468.00
		Western Piedmont Regional Transit Authority	P	\$2,532,222.00	\$0.00	\$2,532,222.00
	Formula Grants for Other Than Urbanized Areas	Western Piedmont Regional Transit Authority	S	\$0.00	\$966,891.00	\$0.00
Food and Nutrition Service	Child Nutrition Discretionary Grants Limited Availability	Catawba County Board Of Education	S	\$0.00	\$32,173.18	\$0.00
Idaho Operations Office	Energy Efficient Appliance Rebate Program (EEARP)		P		\$119,862.71	\$0.00
National Energy Technology Laboratory	State Energy Program	Armacell, Llc	S	\$0.00	\$165,000.00	\$0.00
		General Dynamics Satcom Technologies, Inc.	S	\$0.00	\$242,675.00	\$0.00
		Newton, City Of	S	\$0.00	\$6,310.00	\$0.00
		Salt & Block Foundation Inc	S	\$0.00	\$150,000.00	\$0.00
Office of Elementary and Secondary Education	Education Technology State Grants, Recovery Act	Catawba County Board Of Education	S	\$0.00	\$34,012.00	\$0.00
	School Improvement Grants, Recovery Act	Hickory Public Schools	S	\$0.00	\$2,270,207.00	\$0.00
	State Fiscal Stabilization	Catawba County Board Of	S	\$0.00	\$9,430,613.00	\$0.00

	Fund (SFSF) - Education State Grants, Recovery Act	Education				
		Catawba Valley Community College	S	\$0.00	\$847,882.91	\$0.00
		Hickory Public Schools	S	\$0.00	\$2,473,753.00	\$0.00
		Newton-Conover City School District	S	\$0.00	\$1,630,508.00	\$0.00
	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Catawba County Board Of Education	S	\$0.00	\$899,165.00	\$0.00
		Hickory Public Schools	S	\$0.00	\$508,875.00	\$0.00
		Newton-Conover City School District	S	\$0.00	\$348,284.00	\$0.00
	Title I Grants to Local Educational Agencies, Recovery Act	Catawba County Board Of Education	S	\$0.00	\$1,374,967.00	\$0.00
		Hickory Public Schools	S	\$0.00	\$624,951.00	\$0.00
		Newton-Conover City School District	S	\$0.00	\$390,176.00	\$0.00
Office of Special Education and Rehabilitative Services	Special Education - Preschool Grants, Recovery Act	Catawba County Board Of Education	S	\$0.00	\$141,557.00	\$0.00
		Hickory Public Schools	S	\$0.00	\$39,002.00	\$0.00
	Special Education	Catawba County Board Of	S	\$0.00	\$3,597,537.00	\$0.00

	Grants to States, Recovery Act	Education				
		Hickory Public Schools	S	\$0.00	\$991,667.00	\$0.00
		Newton- Conover City School District	S	\$0.00	\$592,891.00	\$0.00
Rural Housing Service	Community Facilities Loans and Grants		P	\$0.00		\$3,000,000.00 \$3,000,000.00
		Western Piedmont Council Of Governments	P	\$0.00		\$3,000,000.00 \$3,000,000.00
Small Business Administration	Loans	24/7 Fitness And Sports Traini	L			\$74,000.00
		5 & 2 Wigs, Inc.	L			\$115,600.00
		Abee Architect, P.A.	L			\$50,000.00
		Advantage Beer & Wine Supplies	L			\$184,000.00
		Amy Nicole Moon	L			\$216,000.00
		Ashfar Enterprises, Inc.	L			\$10,000.00
		BDW Investments LLC	L			\$133,000.00
		Brookwood Cafe & Catering	L			\$241,000.00
		Camp Creek Farms, Llc	L			\$7,500.00
		Epw Communications Inc	L			\$50,000.00
		JX International LLC	L			\$50,000.00
		Luchi Properties, LLC	L			\$1,975,000.00
		Maddadle, LLC	L			\$1,170,000.00

		And Solutions Of			
		Mellow Mushroom	L	\$1,999,000.00	
		Mkg Investments Inc	L	\$125,000.00	
		Recycling Equipment Incorporat	L	\$150,000.00	
		Sample Poultry Farm	L	\$2,000,000.00	
		Sendroff Chiropractic Center P	L	\$950,000.00	
		Straight Line Resources LLC	L	\$170,000.00	
		Timber Creek Acres, LLC (Epc)	L	\$308,000.00	
		Transcal Graphics, LLC	L	\$165,000.00	
SSA	Social Security Economic Recovery Act Payments	Multiple Individuals	P	\$7,655,250.00	
Grand Total				\$6,938,229.00	\$136,385,963.86 \$99,196,233.00 \$16,268,086.86

ⁱ Recipient Role are as follows: P is a prime recipient; S is a Sub-recipient; PV is a vendor to a prime recipient; SV is a vendor to a sub-recipient; L is a loan recipient.

ⁱⁱ Prime Amounts are unique prime awards within a county. These are entities who have received funding directly from a federal agency, and are required to report directly to www.federalreporting.gov

ⁱⁱⁱ Unique Sub Awards are amounts that flow into a county from a source that is NOT directly from a Federal Agency. Generally these are funds awarded to the North Carolina State Government that have been directed to a local source.

^{iv} Additional Economic Activity are economic activity attributable to a previous funding category. They may be a sub award by a prime recipient within a county, or a contract funded by one of the previous three columns. This economic activity is not counted toward the county total.